

Brendamour Delivers Logistics and Installation for the Vending Machine of Tomorrow

When a vending machine manufacturer landed a game-changing contract with Nestlé, Brendamour Moving and Storage provided a cost-saving logistics program that included delivery, installation and programming of each unit.

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The players

For more than a decade, **Innovative Vending Solutions (IVS)**, based in Walled Lake, Mich., has worked with retailers to create new revenue streams through the design, manufacturing, installation and service of upscale vending machines. The vending machines are provided at no cost to the retailer, and the company has thousands of locations across the United States.

Brendamour Moving and Storage, based in Cincinnati, is one of the nation's most successful and recognizable carriers. The company provides logistics management services to clients, including storage, distribution and installation, as well as other custom services, including handling site surveys, electrical services and technical applications. Brendamour Moving and Storage also transports a variety of goods for household, business and industrial moves, as well as product for trade shows and specialty equipment.

The challenge

In 2008, at the annual All Candy Expo in Chicago, Nestlé saw a new type of vending machine and an incredible opportunity to grow its Wonka brand by gaining exposure in high-traffic retail environments around the country. Walled Lake, Mich.-based IVS offered a solution.

“Unlike the traditional vending machine that operates by customers inserting quarters, this machine was completely different, completely high tech,” said Howard Rubin, COO of IVS. “This machine interacts with customers through touchscreen technology, allowing them to mix and match their favorite candy items and purchase as much or as little as they would like. Nestlé saw this as an incredible way to promote its brand and moved quickly to capitalize on the opportunity.”

To fulfill its contract with Nestlé, IVS needed a way to quickly deliver and install bulk candy vending machines to multiple locations.

Nestlé approved a rollout of 25 prototype machines to be tested in locations across the United States. That meant Rubin needed a way to get the machines delivered and installed quickly to multiple locations.

The solution

Rubin's research led him to choose Cincinnati-based Brendamour Moving and Storage to deploy the Wonka vending machines.

Paul Owens, general manager of Brendamour Moving and Storage, outlined a strategy that would enable the company to quickly gather the various components — the machines, the candy and the cups, and lids that held the candy — and get them to their destination in the fastest, most cost-effective manner possible.

“Brendamour actually deployed the first one free,” Rubin said. “Paul was interested in developing a partnership, which was important to me. He was thinking long term.”

Wonka approved an additional rollout to more than 300 locations across the United States.

“They were a godsend,” Rubin said of Brendamour. “They took the bull by the horns and got it done.”

After the successful trial, Rubin felt comfortable handing over more control of the logistics to Owens.

“Howard allowed me to be greatly involved in the routing and scheduling process,” Owens said. “He properly utilized our expertise to maximize results.”



Brendamour's delivery team installed the machine and tested it immediately, so the machines were fully operational (and earning revenue) right away.

Brendamour developed a solution based on its principles of excellence, which include discovering what the customer wants; understanding the challenges of each install location; prepping the site ahead of time; and determining the best method of shipping, from packaging the product to routing it to its final destination.

All of the components were shipped to Brendamour's warehouse in Cincinnati, and kits were created for each installation. The kits, which were specific to the final destination and double-checked for accuracy, included the machine, candy, communication components, cups and lids.

A site survey was performed at each destination to determine whether the machines would fit, whether there was electricity

available and when the team could access the building. In the case of shopping malls, for example, deliveries typically took place when the mall was closed — usually between 9 p.m. and 9 a.m.

The delivery team was trained to stock the machine, program it to get the machine running and, as the final step of installation, test the machine. By having Brendamour's team perform these functions at the time of delivery, the machines were immediately operational.

Routing was another challenge. Demand was ahead of manufacturing, and machines were shipped from Canada in batches of 25. Once the machines were shipped, Owens had geographic routes mapped out and ready for delivery. As soon as the kits were assembled (including the machines), they were loaded on the trucks in reverse order and dispatched.

Using the same team of installers throughout the program increased efficiency. Once a problem was solved, the issue didn't arise again because the team had the experience to handle it.

"That wouldn't be the case with some other vendors, who would farm the deliveries out to multiple teams or even subcontractors," Owens said. "Each problem would have to be resolved over and over again, which would tie up staff at IVS."

The results

The program has been a huge success.

"The task was to get a truckload of 25 [machines] deployed quickly," Owens said. "That's what we did. [Rubin] wanted them



Together, Brendamour and IVS were able to quickly install the Wonka machines and get them running, leading to an increase in the rollout.

delivered and installed without damage. He wanted them working when we left. Mission accomplished time and time again."

When asked about the results, Rubin said "on-time deliveries are important, of course, but the main question is 'Was it done right?' They said 'This is how it should be done,' and they got it done quicker and cheaper than I expected. This machine was the first of its kind. And there were no mistakes."

Owens said critical success factors were the quality of the service his team delivered and the quality of the communication between the two partners.

"Howard's done everything he said he would do, and we have done the same," he said.

Plans are in place to expand the rollout into Canada and Mexico in 2012.

About the sponsor: *Brendamour Moving and Storage is a Cincinnati-based agent and one of the most recognized carriers in the United States. In addition to household moves and corporate relocation services, Brendamour Moving and Storage offers logistics management services to clients, including storage, distribution and installation, as well as other custom services.*